

1 AN ACT

2 relating to the creation of the New Fairview Municipal Utility
3 District No. 1; granting a limited power of eminent domain;
4 providing authority to issue bonds; providing authority to impose
5 assessments, fees, and taxes.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws
8 Code, is amended by adding Chapter 7987 to read as follows:

9 CHAPTER 7987. NEW FAIRVIEW MUNICIPAL UTILITY DISTRICT NO. 1

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7987.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the district's board of directors.

13 (2) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (3) "Director" means a board member.

16 (4) "District" means the New Fairview Municipal
17 Utility District No. 1.

18 Sec. 7987.002. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7987.003. CONFIRMATION AND DIRECTORS' ELECTION
22 REQUIRED. The temporary directors shall hold an election to
23 confirm the creation of the district and to elect five permanent
24 directors as provided by Section 49.102, Water Code.

1 Sec. 7987.004. CONSENT OF MUNICIPALITY AND DEVELOPMENT
2 AGREEMENT REQUIRED. (a) The temporary directors may not hold an
3 election under Section 7987.003, undertake an improvement project,
4 impose taxes or fees, or issue bonds or otherwise borrow money until
5 each municipality in whose corporate limits or extraterritorial
6 jurisdiction the district is located has:

7 (1) consented by ordinance or resolution to the
8 creation of the district and to the inclusion of land in the
9 district; and

10 (2) entered into a development agreement under Section
11 212.172, Local Government Code, with an owner or owners of a
12 majority of the land described by Section 2 of the Act enacting this
13 chapter.

14 (b) If a development agreement described by Subsection
15 (a)(2) has not been executed before March 1, 2019:

16 (1) the temporary directors may not call a
17 confirmation election under Section 7987.003;

18 (2) the district is dissolved; and

19 (3) this chapter expires March 1, 2020.

20 Sec. 7987.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
21 The district is created to serve a public purpose and benefit.

22 (b) The district is created to accomplish the purposes of:

23 (1) a municipal utility district as provided by
24 general law and Section 59, Article XVI, Texas Constitution; and

25 (2) Section 52, Article III, Texas Constitution, that
26 relate to the construction, acquisition, improvement, operation,
27 or maintenance of macadamized, graveled, or paved roads, or

1 improvements, including storm drainage, in aid of those roads.

2 Sec. 7987.006. INITIAL DISTRICT TERRITORY. (a) The
3 district is initially composed of the territory described by
4 Section 2 of the Act enacting this chapter.

5 (b) The boundaries and field notes contained in Section 2 of
6 the Act enacting this chapter form a closure. A mistake made in the
7 field notes or in copying the field notes in the legislative process
8 does not affect the district's:

9 (1) organization, existence, or validity;

10 (2) right to issue any type of bond for the purposes
11 for which the district is created or to pay the principal of and
12 interest on a bond;

13 (3) right to impose a tax; or

14 (4) legality or operation.

15 Sec. 7987.007. CITY CONSENT TO CREATION OF DISTRICT. The
16 city's consent to the creation of the district is not subject to the
17 limitations on the conditions or other restrictions the city may
18 place on its consent under Section 42.042, Local Government Code.

19 SUBCHAPTER B. BOARD OF DIRECTORS

20 Sec. 7987.051. GOVERNING BODY; TERMS. (a) The district is
21 governed by a board of five elected directors.

22 (b) Except as provided by Section 7987.052, directors serve
23 staggered four-year terms.

24 Sec. 7987.052. TEMPORARY DIRECTORS. (a) On or after
25 September 1, 2017, the owner or owners of a majority of the assessed
26 value of the real property in the district may submit a petition to
27 the commission requesting that the commission appoint as temporary

1 directors the five persons named in the petition. The commission
2 shall appoint as temporary directors the five persons named in the
3 petition.

4 (b) Temporary directors serve until the earlier of:

5 (1) the date permanent directors are elected under
6 Section 7987.003; or

7 (2) September 1, 2021.

8 (c) If permanent directors have not been elected under
9 Section 7987.003 and the terms of the temporary directors have
10 expired, successor temporary directors shall be appointed or
11 reappointed as provided by Subsection (d) to serve terms that
12 expire on the earlier of:

13 (1) the date permanent directors are elected under
14 Section 7987.003; or

15 (2) the fourth anniversary of the date of the
16 appointment or reappointment.

17 (d) If Subsection (c) applies, the owner or owners of a
18 majority of the assessed value of the real property in the district
19 may submit a petition to the commission requesting that the
20 commission appoint as successor temporary directors the five
21 persons named in the petition. The commission shall appoint as
22 successor temporary directors the five persons named in the
23 petition.

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 7987.101. GENERAL POWERS AND DUTIES. The district has
26 the powers and duties necessary to accomplish the purposes for
27 which the district is created.

1 Sec. 7987.102. MUNICIPAL UTILITY DISTRICT POWERS AND
2 DUTIES. The district has the powers and duties provided by the
3 general law of this state, including Chapters 49 and 54, Water Code,
4 applicable to municipal utility districts created under Section 59,
5 Article XVI, Texas Constitution.

6 Sec. 7987.103. AUTHORITY FOR ROAD PROJECTS. Under Section
7 52, Article III, Texas Constitution, the district may design,
8 acquire, construct, finance, issue bonds for, improve, operate,
9 maintain, and convey to this state, a county, or a municipality for
10 operation and maintenance macadamized, graveled, or paved roads, or
11 improvements, including storm drainage, in aid of those roads.

12 Sec. 7987.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
13 project must meet all applicable construction standards, zoning and
14 subdivision requirements, and regulations of each municipality in
15 whose corporate limits or extraterritorial jurisdiction the road
16 project is located.

17 (b) If a road project is not located in the corporate limits
18 or extraterritorial jurisdiction of a municipality, the road
19 project must meet all applicable construction standards,
20 subdivision requirements, and regulations of each county in which
21 the road project is located.

22 (c) If the state will maintain and operate the road, the
23 Texas Transportation Commission must approve the plans and
24 specifications of the road project.

25 Sec. 7987.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
26 OR RESOLUTION. The district shall comply with all applicable
27 requirements of any ordinance or resolution that is adopted under

1 Section 54.016 or 54.0165, Water Code, and that consents to the
2 creation of the district or to the inclusion of land in the
3 district.

4 Sec. 7987.106. CITY REQUIREMENTS. An improvement project
5 in the district must comply with applicable requirements of the
6 city, including codes and ordinances, unless a requirement is
7 specifically waived or superseded by a development agreement
8 entered into under Section 7987.107 or another agreement with the
9 city applicable to property located in the district.

10 Sec. 7987.107. DEVELOPMENT AND OPERATING AGREEMENT
11 REQUIRED. After the district's board is organized, but before the
12 district may undertake any improvement project, impose taxes or
13 fees, or issue bonds or otherwise borrow money, the district must
14 become a party to and assume all applicable obligations,
15 requirements, and limitations in the development agreement entered
16 into between the city and the owner or owners of a majority of land
17 in the district, including any limitation imposed by the city.

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 7987.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
20 district may issue, without an election, bonds and other
21 obligations secured by:

22 (1) revenue other than ad valorem taxes; or

23 (2) contract payments described by Section 7987.153.

24 (b) The district must hold an election in the manner
25 provided by Chapters 49 and 54, Water Code, to obtain voter approval
26 before the district may impose an ad valorem tax or issue bonds
27 payable from ad valorem taxes.

1 (c) The district may not issue bonds payable from ad valorem
2 taxes to finance a road project unless the issuance is approved by a
3 vote of a two-thirds majority of the district voters voting at an
4 election held for that purpose.

5 Sec. 7987.152. OPERATION AND MAINTENANCE TAX. (a) If
6 authorized at an election held under Section 7987.151, the district
7 may impose an operation and maintenance tax on taxable property in
8 the district in accordance with Section 49.107, Water Code.

9 (b) The board shall determine the tax rate. The rate may not
10 exceed the rate approved at the election.

11 Sec. 7987.153. CONTRACT TAXES. (a) In accordance with
12 Section 49.108, Water Code, the district may impose a tax other than
13 an operation and maintenance tax and use the revenue derived from
14 the tax to make payments under a contract after the provisions of
15 the contract have been approved by a majority of the district voters
16 voting at an election held for that purpose.

17 (b) A contract approved by the district voters may contain a
18 provision stating that the contract may be modified or amended by
19 the board without further voter approval.

20 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

21 Sec. 7987.201. AUTHORITY TO ISSUE BONDS AND OTHER
22 OBLIGATIONS. The district may issue bonds or other obligations
23 payable wholly or partly from ad valorem taxes, impact fees,
24 revenue, contract payments, grants, or other district money, or any
25 combination of those sources, to pay for any authorized district
26 purpose.

27 Sec. 7987.202. TAXES FOR BONDS. At the time the district

1 issues bonds payable wholly or partly from ad valorem taxes, the
2 board shall provide for the annual imposition of a continuing
3 direct ad valorem tax, without limit as to rate or amount, while all
4 or part of the bonds are outstanding as required and in the manner
5 provided by Sections 54.601 and 54.602, Water Code.

6 Sec. 7987.203. BONDS FOR ROAD PROJECTS. At the time of
7 issuance, the total principal amount of bonds or other obligations
8 issued or incurred to finance road projects and payable from ad
9 valorem taxes may not exceed one-fourth of the assessed value of the
10 real property in the district.

11 SECTION 2. The New Fairview Municipal Utility District No.
12 1 initially includes all the territory contained in the following
13 area:

14 BEING A 634.507 ACRES TRACT OF LAND CALLED OUT OF THE
15 T. CARPENTER SURVEY, ABSTRACT NO. 172 AND THE W.
16 BRAMLETT SURVEY, ABSTRACT NO. 123, WISE COUNTY, TEXAS:
17 BEING ALL OF THOSE CERTAIN TRACTS OF LAND AS DESCRIBED
18 IN VOLUME 155, PAGE 580, & VOLUME 123, PAGE 290, DEED
19 RECORDS, WISE COUNTY, TEXAS, AND CONTAINING ALL OF
20 THOSE CERTAIN TRACTS OF LAND AS DESCRIBED IN CLERK FILE
21 NO. 201600522 & CLERK FILE NO. 201600523, OFFICIAL
22 RECORDS, WISE COUNTY, TEXAS: BEING FURTHER DESCRIBED
23 BY METES AND BOUNDS AS FOLLOWS:

24 BEGINNING AT A SET 1/2" IRON ROD WITH PLASTIC CAP IN THE
25 EAST LINE OF THE FORT WORTH & DENVER CITY RAILROAD
26 RIGHT OF WAY, BEING FIFTY FEET EAST OF & PERPENDICULAR
27 TO THE CENTER OF THE EXISTING RAILROAD LINE, AT THE

1 NORTHWEST CORNER OF THE THIRD TRACT (V. 123, P. 290),
2 SAME BEING THE SOUTHWEST CORNER OF A CALLED 30 ACRES
3 TRACT OF LAND DESCRIBED IN VOLUME 5, PAGE 151,
4 D.R.W.C.T., FOR THE NORTHWEST AND BEGINNING CORNER OF
5 THIS TRACT.

6 THENCE ALONG THE SOUTH & EAST LINES OF SAID 30 ACRES AS
7 FOLLOWS:

8 1) N 89°35'28" E 2484.06 FEET TO A 4" STEEL FENCE CORNER
9 POST, FOR AN ELL CORNER OF THIS TRACT.

10 2) N 01°02'34" W 533.58 FEET TO A FOUND 1" IRON PIPE AT
11 THE SOUTHEAST CORNER OF THAT CALLED 187.08 ACRES AS
12 DESCRIBED IN CLERK FILE NO. 201322567, O.R.W.C.T., FOR
13 A CORNER OF THIS TRACT.

14 3) THENCE N 00°16'14" E 349.12 FEET TO A FOUND 3/8" IRON
15 ROD AT THE SOUTHWEST CORNER OF THOSE CERTAIN TRACTS OF
16 LAND DESCRIBED IN VOLUME 1643, PAGE 644, O.R.W.C.T.,
17 FOR THE NORTHWEST CORNER OF THIS TRACT.

18 4) THENCE N 89°40'40" E AT 1203.8 FEET PASS A FOUND 1/2"
19 IRON ROD WITH PLASTIC CAP STAMPED "MANNING" AT THE
20 NORTHWEST CORNER OF THAT CALLED 34.00 ACRES TRACT OF
21 LAND DESCRIBED IN CLERK FILE NO. 201600522,
22 O.R.W.C.T., AT 2609.13 FEET PASS A FOUND 3/8" IRON ROD
23 IN THE FENCED WEST LINE OF PIONEER STREET, A GRAVEL
24 SURFACE, FOR A TOTAL DISTANCE OF 2632.66 FEET TO A
25 POINT, FOR THE NORTHEAST CORNER OF THIS TRACT.

26 5) THENCE S 00°25'18" E 3975.79 FEET WITHIN SAID
27 PIONEER STREET TO A POINT, AT THE NORTHEAST CORNER OF

1 THAT CALLED 3.673 ACRES CONVEYED TO BRAZOS ELECTRIC
2 POWER COOPERATIVE, INC. IN VOLUME 931, PAGE 495,
3 O.R.W.C.T., FOR A CORNER OF THIS TRACT.

4 THENCE ALONG THE NORTH, WEST, & SOUTH LINES OF SAID
5 BRAZOS ELECTRIC TRACT AS FOLLOWS:

6 6) S 89°39'22" W 400.00 FEET TO A FOUND CAPPED 3/4" IRON
7 ROD;

8 7) S 00°20'10" E 399.94 FEET TO A FOUND CAPPED 3/4" IRON
9 ROD;

10 8) N 89°39'51" E 400.01 FEET TO A POINT WITHIN SAID
11 PIONEER STREET, FOR A CORNER OF THIS TRACT.

12 9) THENCE S 00°20'12" E 358.93 FEET WITHIN SAID PIONEER
13 STREET TO A FOUND 3/8" IRON ROD IN THE NORTH LINE OF
14 THAT CALLED 80 ACRES TRACT OF LAND DESCRIBED IN VOLUME
15 1547, PAGE 588, O.R.W.C.T., FOR THE EASTERLY SOUTHEAST
16 CORNER OF THIS TRACT.

17 THENCE ALONG THE COMMON LINE OF SAID FIFTH TRACT (V.
18 123, P. 290) & SAID 80 ACRES TRACT AS FOLLOWS:

19 10) S 89°16'40" W 2595.51 FEET TO A FOUND 3/8" IRON ROD;

20 11) S 00°41'22" E 1800.91 FEET TO A POINT WITHIN PIONEER
21 STREET, AN ASPHALT SURFACE, AT THE SOUTHEAST CORNER OF
22 THAT CALLED 22.00 ACRES TRACT OF LAND DESCRIBED IN
23 CLERK FILE NO. 201600523, O.R.W.C.T., FOR THE
24 SOUTHERLY SOUTHEAST CORNER OF THIS TRACT.

25 12) THENCE N 89°57'00" W WITHIN SAID PIONEER STREET AT
26 772.70 FEET PASS A FOUND P.K. NAIL IN ASPHALT AT THE
27 SOUTHWEST CORNER OF SAID 22.00 ACRES, FOR A TOTAL

1 DISTANCE OF 2919.89 FEET TO A POINT IN THE SIMPLE CURVE
2 OF A SPIRAL CURVE, BEING THE EAST LINE OF SAID FORT
3 WORTH & DENVER CITY RAILROAD RIGHT OF WAY, FOR THE
4 SOUTHWEST CORNER OF THIS TRACT. WHENCE A FOUND PK NAIL
5 BEARS S 89°57'00" E 1.58 FEET.

6 THENCE FIFTY FEET EAST OF & PERPENDICULAR TO THE CENTER
7 OF THE EXISTING RAILROAD LINE AS FOLLOWS:

8 SC1) ALONG THE ARC OF A SIMPLE CURVE TO THE RIGHT,
9 HAVING A RADIUS OF 2873.39 FEET, AN ARC LENGTH OF
10 195.21 FEET, AND WHOSE CHORD BEARS N 01°50'09" W 195.17
11 FEET TO A SET 1/2" IRON ROD WITH PLASTIC CAP AT THE
12 CURVE TO SPIRAL, A CHORD BEARS N 02°35'55" E 376.69 FEET
13 TO THE SPIRAL TO TANGENT;

14 13) N 03°50'04" E 5090.43 FEET TO THE POINT OF
15 BEGINNING.

16 BEARINGS & DISTANCES DERIVED FROM G.P.S. OBSERVATIONS
17 PERFORMED BY CARTER SURVEYING & MAPPING, INC. AND
18 REFLECT SURFACE ADJUSTED, N.A.D. 1983, TEXAS STATE
19 PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202,
20 USING TEXAS DEPARTMENT OF TRANSPORTATION SURFACE
21 ADJUSTMENT FACTOR OF 1.00012.

22 SECTION 3. (a) The legal notice of the intention to
23 introduce this Act, setting forth the general substance of this
24 Act, has been published as provided by law, and the notice and a
25 copy of this Act have been furnished to all persons, agencies,
26 officials, or entities to which they are required to be furnished
27 under Section 59, Article XVI, Texas Constitution, and Chapter 313,

1 Government Code.

2 (b) The governor, one of the required recipients, has
3 submitted the notice and Act to the Texas Commission on
4 Environmental Quality.

5 (c) The Texas Commission on Environmental Quality has filed
6 its recommendations relating to this Act with the governor, the
7 lieutenant governor, and the speaker of the house of
8 representatives within the required time.

9 (d) All requirements of the constitution and laws of this
10 state and the rules and procedures of the legislature with respect
11 to the notice, introduction, and passage of this Act are fulfilled
12 and accomplished.

13 SECTION 4. (a) If this Act does not receive a two-thirds
14 vote of all the members elected to each house, Subchapter C, Chapter
15 7987, Special District Local Laws Code, as added by Section 1 of
16 this Act, is amended by adding Section 7987.108 to read as follows:

17 Sec. 7987.108. NO EMINENT DOMAIN POWER. The district may
18 not exercise the power of eminent domain.

19 (b) This section is not intended to be an expression of a
20 legislative interpretation of the requirements of Section 17(c),
21 Article I, Texas Constitution.

22 SECTION 5. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 2912 was passed by the House on May 4, 2017, by the following vote: Yeas 137, Nays 6, 2 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 2912 on May 26, 2017, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 2912 on May 28, 2017, by the following vote: Yeas 133, Nays 14, 2 present, not voting.

Chief Clerk of the House

H.B. No. 2912

I certify that H.B. No. 2912 was passed by the Senate, with amendments, on May 24, 2017, by the following vote: Yeas 30, Nays 1; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 2912 on May 28, 2017, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor